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7 BEFORE THE WASHINGTON STATE  
8 OFFICE OF THE INSURANCE COMMISSIONER

9 IN THE MATTER OF THE  
10 APPLICATION REGARDING THE  
11 CONVERSION AND ACQUISITION OF  
12 CONTROL OF PREMIER BLUE CROSS  
13 AND ITS AFFILIATES,

No. G02-45

DECLARATION OF JULIE WATTS

14 \_\_\_\_\_  
15 WASHINGTON CITIZEN ACTION,  
16 WELFARE RIGHTS ORGANIZING  
17 COALITION, AMERICAN LUNG  
18 ASSOCIATION OF WASHINGTON,  
19 NORTHWEST FEDERATION OF  
20 COMMUNITY ORGANIZATIONS,  
21 NORTHWEST HEALTH LAW  
22 ADVOCATES, SERVICE EMPLOYEES  
23 INTERNATIONAL UNION  
24 WASHINGTON STATE COUNCIL, THE  
25 CHILDREN'S ALLIANCE,  
26 WASHINGTON ACADEMY OF FAMILY  
PHYSICIANS, WASHINGTON  
ASSOCIATION OF CHURCHES,  
WASHINGTON PROTECTION AND  
ADVOCACY SYSTEM AND  
WASHINGTON STATE NOW,

Applicants for Intervention.

1 I, Julie Watts, declare:

2 1. I am the Church & Public Policy Program Associate of Washington  
3 Association of Churches (WAC). I have been with WAC since Summer 2002.

4 2. Washington Association of Churches is an ecumenical association  
5 comprised of 12 Christian denominational partners, and the members of over 1,200  
6 church congregations statewide. On behalf of our ecumenical partners, WAC advocates  
7 for a more just and caring community through public policy advocacy, community  
8 organizing, education, and community dialogue. Through our partnerships with  
9 churches, we represent the concerns of congregational members, children, the elderly,  
10 and working families across Washington state. Since 1974 the Washington Association  
11 of Churches has advocated for improved access to safe and affordable health care for  
12 low income children, families, and seniors as well as immigrants and refugees.  
13 Through our public policy program we have advocated for expanded eligibility for  
14 Medicaid for low income families, funding for the state's Basic Health Plan and state  
15 funding to secure federal funding to Washington for State Child Health Insurance Plan  
16 (SCHIP.) We are also actively engaged in advocating for the State of Washington to  
17 repeal is application for a federal waiver to apply enrollment freezes, premiums and  
18 co-pays for children and seniors on Medicaid. Many of our ecumenical cooperating  
19 partners and congregations are also actively engaged in providing human services in  
20 their local communities.

21 3. Based upon information and belief, many of the congregants  
22 represented by WAC's 1200 are Premiera members. The Washington Association  
23 represents over 1,200 churches across Washington and many of our congregants reside  
24 in communities in which Premiera provides coverage, and many are members of the  
25 Basic Health Plan.

1           4.     WAC has a significant interest in the Premera conversion because  
2 the congregants we represent are concerned about for-profit Premera's future  
3 participation in the Medicaid Health Options program, the Basic Health Plan, the State  
4 Children's Health Insurance program and in state-sponsored health coverage. Many of  
5 the WAC's congregants live in Eastern Washington where business decisions by  
6 Premera may have a significant impact on local access to health coverage and health  
7 care, and on the local economy. Our congregants have experienced the dislocation  
8 caused when Regence pulled out of the Medicaid Healthy Options program in Yakima.  
9 Any similar action by Premera could have devastating impact.

10           5.     WAC's members are beneficiaries of the nonprofit assets held by  
11 Premera, and have a significant interest in how the proceeds from a conversion are  
12 protected and dedicated. WAC members are concerned that the full value of Premera's  
13 assets accumulated during nonprofit status be retained for future health care use to  
14 address unmet health care needs in Washington State.

15           6.     If full intervention status is granted, WAC, together with the other  
16 ten consumer and provider organizations that have jointly sought intervention status,  
17 plans to obtain a study of the health impact of the proposed Premera conversion on  
18 Washington state consumers. The health impact study will particularly consider the  
19 potential impact of the conversion on access to care for consumers enrolled Medicaid,  
20 the Basic Health Plan, the State Children's Health Insurance Program and for low-  
21 income rural health consumers. The health impact study will require discovery  
22 regarding Premera's current and future business operations.

23           7.     WAC has substantial expertise and knowledge regarding our  
24 state's health system, and the impact a conversion could have on it. Since 1974 we have  
25 been actively engaged in educating church members about public policies affecting  
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1 access to safe and affordable health care. Through legislative advocacy and organizing  
2 we have advocated on behalf of low income families and our congregations to maintain  
3 benefits for immigrants and refugees under Medicaid, for expanded eligibility in the  
4 Medicaid program and the Basic Health Plan.

5 I declare under penalty of perjury of the laws of the State of Washington  
6 that the foregoing is true and correct.

7 DATED this \_\_\_\_ day of November, 2002, at Seattle, Washington.

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10 Julie Watts  
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